

Procedure

Expenditure Accountability Framework



This procedure falls under Administrative Policy A1206 *Financial Administration and Control*.

Program Impacted	Financial Sustainability <i>The City of Edmonton's resilient financial position enables both current and long-term service delivery and growth.</i>
Approved By	City Manager
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The purpose of this procedure is to prescribe the roles of employees accountable for financial transactions, and the limits applicable to each role. In addition, this procedure prescribes processes to be followed to make commitments and approve payments of City money.

Roles

1.1. Senior Expenditure Officer

- 1.1.1. Branch Managers will act as the senior expenditure officer for their branches. Deputy City Managers and City Manager are also the senior expenditure officer of their office.
- 1.1.2. Senior expenditure officers are accountable for all payments made from their assigned cost centres, and must ensure compliance with this procedure. They provide strong financial controls, oversight, and financial management of their approved budget.
- 1.1.3. Senior expenditure officers have the responsibility and accountability for the financial control environment. These responsibilities include:
 - 1.1.3.1. accountability for all transactions;
 - 1.1.3.2. compliance monitoring; and
 - 1.1.3.3. program financial management: ensuring that eligible employees of their branch, Deputy City Manager Office or City Manager Office are added to the list of expenditure officers and verifying periodically the validity of the list, upon request of the Financial Services Branch.

- 1.1.4. The Branch Manager, Financial Services will maintain a list of all senior expenditure officers.

1.2. Expenditure Officer

- 1.2.1. Eligibility for employees taking on the role of expenditure officer for their branch is determined based on their position classification as defined in the *Corporate Accountability Framework (CAF) Matrix*.
- 1.2.2. Expenditure officers are not allowed to appoint another employee to make commitments or approve payments on their behalf.
- 1.2.3. When an employee eligible for the role of expenditure officer joins the branch, Deputy City Manager Office or City Manager Office, the senior expenditure officer must provide all of the following to the Branch Manager, Financial Services:
 - 1.2.3.1. the name of the employee and their position title;
 - 1.2.3.2. the position classification that determine the limits of the expenditure officer's authority;
 - 1.2.3.3. the name and position title of the employee's supervisor; and
 - 1.2.3.4. the start date of the tenure.
- 1.2.4. When an expenditure officer leaves the branch, Deputy City Manager Office or City Manager Office for another position or terminates employment with the City of Edmonton, the senior expenditure officer must provide all the following to the Branch Manager, Financial Services:
 - 1.2.4.1. the name of the employee and their position title;
 - 1.2.4.2. the name and position title of the employee's supervisor; and
 - 1.2.4.3. the effective date of the departure or termination.
- 1.2.5. The Branch Manager, Financial Services, must maintain a list of all expenditure officers and their assigned limits.
- 1.2.6. An expenditure officer may review and approve payments, or the commitment of City money, up to the limits of the approved branch budget, and are specifically responsible for the authorization and certification of expenditures. By approving a payment, or commitment, the expenditure officer is accountable to ensure the following:
 - 1.2.6.1. sufficient funds are available within an approved budget;
 - 1.2.6.2. the goods, services, construction, or intellectual property rights billed have either been received or the disbursement is in accordance with the applicable agreement, legislation, or policy, or a commitment of funds is required for a potential contract, following a procurement process;

- 1.2.6.3. the payment is appropriate and being made in accordance with all applicable City policies and procedures;
 - 1.2.6.4. the payment amount is correct;
 - 1.2.6.5. the invoice or other obligation has not previously been paid;
 - 1.2.6.6. the financial coding for the payment is appropriate;
 - 1.2.6.7. the payment is being made to a person that is entitled to the payment (e.g. payments should not be made to subcontractors who are not party to an agreement with the City);
 - 1.2.6.8. appropriate documentation for the payment has been received by the City and will be retained in accordance with the applicable City records retention schedule.
- 1.2.7. When approving a payment or commitment of City money, the expenditure officer must include their name, position title, and if appropriate, signature.
- 1.2.8. An expenditure officer must not, in any circumstance, approve payments, or the commitment of funds, where the expenditure officer is also responsible for receiving the goods, services, construction, or intellectual property rights.
- 1.2.9. An expenditure officer must not, in any circumstance, approve payments, or the commitment of funds, to themselves or their immediate family.

1.3. Accounting Officer

- 1.3.1. An accounting officer may review any payment or commitment, and must review and approve all payments or commitments over \$5,000,000, that have been approved by an expenditure officer. In reviewing a payment or commitment, the accounting officer confirms that:
- 1.3.1.1. the appropriate expenditure officer has approved the payment;
 - 1.3.1.2. the payment is authorized or consistent with the approved budget from which it will be paid; and
 - 1.3.1.3. if a risk-based sampling approach has been used by the accounting officer, it is appropriately documented.
- 1.3.2. An accounting officer must not, in any circumstance, review payments, or the commitment of funds, where the accounting officer is also responsible for receiving the goods, services, construction, or intellectual property rights.
- 1.3.3. An employee must not act as both an accounting officer and expenditure officer in relation to the same payment.

- 1.3.4. The Branch Manager, Financial Services must appoint a sufficient number of accounting officers, as well as a sufficient number of alternates. In the event an accounting officer or alternate is not available or unable to review a payment, or commitment of funds, the Branch Manager, Financial Services or Chief Financial Officer must review the payment.